
The Background Screening Credentialing Council (BSCC) has drafted the following accreditation tip for US Employment Screening / General Background Screening BSOAP Standard, this tip applies to US Version 2.0, 3.0 and General Version 1.0. This response is provided for educational purposes only and does not constitute legal advice, express or implied of the BSCC, or the Professional Background Screening Association. Consultation with legal counsel is recommended in all matters of employment law.

For the purposes of this Tip, and to ensure our response applies to both Standards, the terms Organization and CRA may both be used.

TITLE: Clause 6.4 – Insurance

Clause US Standard V2.0/3.0: Organization shall maintain a minimum of \$1 million coverage in errors and omissions insurance. If Organization does not maintain errors and omission insurance, Organization must self-insure in a manner compliant with its state’s insurance requirements.

Clause General Standard V1.0: Organization must present proof of errors and omissions insurance coverage, equivalent business insurance coverage, or self-insurance of \$1 million (or equivalent in local currency) if such coverage is commonly available or required in countries of operation. If such insurance coverage is not commonly available, organization shall provide attestation of same and of organization's financial ability to withstand claims based on its operation and clauses in client agreement may outline how issues will be resolved should they arise.

Clause 6.4 requires an organization to carry a minimum of \$1,000,000 coverage in errors and omissions (E&O) insurance and most often the documentation provided for this will be the Certificate of Insurance (COI). The BSCC encourages organizations to review their E&O insurance policy in its entirety to ensure that they understand fully any endorsements, exclusions or sub-limits for specific types of claims; including but not limited to, the exclusion of FCRA based or FACTA claims, in the U.S., or limitations of coverage that may reduce the insurance coverage on claims that are most likely to impact a screening company.

The provision of an active policy which has \$1M Errors and Omissions coverage will demonstrate compliance however, we encourage applicant organizations to be fully apprised of what their coverage covers, even when this clause is met.

We hope the above provides further information and clarification on the information provided in the Standard and may be used to improve your accreditation submission.